



# Betty T. Yee, Vice Chairwoman State Board of Equalization

Serving the 8.5 million Californians of the First Equalization District,  
comprised of 21 counties along the northern and central California coast,  
including the entire San Francisco Bay Area.



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## Quarterly e-Newsletter

To learn more about  
services provided by  
the State Board of  
Equalization, please  
call my office or  
visit my website at:

[www.boe.ca.gov/members/yee](http://www.boe.ca.gov/members/yee)

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Welcome to the spring edition of my quarterly e-newsletter. As we approach the tax filing season, my office has been active in resuming our outreach and education program for taxpayers in the First District.

Additionally, my office has been serving as a resource to the Legislature and the Governor's Administration, providing technical assistance on tax policy issues within the context of addressing the State's multi-billion dollar budget gap. California continues to face significant fiscal challenges, which have been exacerbated by weak job growth and the effects of the mortgage crisis.

I remain committed to ensuring that all taxes rightfully due to the State of California are paid so support for vital public services such as education, health care, public safety, and environmental protection may continue.

I welcome any comments you may have about how to solve the State Budget challenges. Please feel free to e-mail me at [Board.MemberD1@boe.ca.gov](mailto:Board.MemberD1@boe.ca.gov) with your ideas and suggestions. Thank you for reading my e-newsletter.

Sincerely,

BETTY T. YEE  
Vice Chairwoman



## HONORING TWO GREAT LEADERS

Communities across the United States honored the work of the late Dr. Martin Luther King, Jr. on January 21<sup>st</sup>. Board of Equalization (BOE) Vice Chairwoman Yee notes that Dr. King's work on civil rights must be remembered, for equal opportunity today for so many underserved and under-represented communities is possible because of Dr. King's legacy. Joining community leaders and other public officials at the annual Dr. Martin Luther King, Jr. Scholarship Breakfast in San Francisco, Yee recalls, "Learning about Dr. King's work at an early age really inspired me to make a difference in the lives of those without a voice. He led with a moral compass, and I will never forget these words by Dr. King:

*'The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.'*"



On March 31<sup>st</sup>, thousands up and down California marched and gathered to remember the late Cesar Chavez and his legacy for workers' rights. Vice Chairwoman Yee participated in the annual Cesar Chavez Labor Breakfast in San Francisco, followed by a rally to kick-off a voter registration drive. Of the late Cesar Chavez, Yee observes, "He had such a commitment not only to workers, but to communities." Note these words of the late Cesar Chavez:



*'We cannot seek achievement for ourselves and forget about progress and prosperity for our community... Our ambitions must be broad enough to include the aspirations and needs of others, for their sakes and for our own.'*"

Yee remarks, "I believe the acts and words of both Dr. Martin Luther King, Jr. King and Cesar Chavez should guide all of us in service to make our communities a better place for all."

## REGISTERED DOMESTIC PARTNERS IN CALIFORNIA FILE STATE INCOME TAX RETURNS AS MARRIED COUPLES

Vice Chairwoman Yee launched 2008 with three tax seminars for California registered domestic partners, who beginning this year must file joint state income tax returns. The tax seminars were held in San Francisco, Oakland, and Sacramento on January 23<sup>rd</sup>, January 24<sup>th</sup>, and March 6<sup>th</sup>, respectively, and featured Patrick Kusiak, Assistant Chief Counsel of Legal Affairs Bureau and Jean Cramer, Tax Counsel IV with the Tax Administration and Procedures Bureau of Legal Department at the Franchise Tax Board (FTB).

Mr. Kusiak and Ms. Cramer presented information to over 300 registered domestic partners on filing status, community property, individual retirement accounts (IRAs) and Roth IRAs, tax-favored accounts, business entities, and other topics that may affect the state income tax filings for registered domestic partners. Yee attended the seminars and notes, "It is both exciting and daunting for registered domestic partners to be able to file joint state income tax returns. I am pleased to see seminar participants avail themselves of the information and the opportunity to pose questions about their new, somewhat confusing, filing requirements to our FTB experts." Thank you, Mr. Kusiak and Ms. Cramer for doing such a terrific job!



Many thanks also to the tax practitioners who provided input through the FTB's interested parties process throughout the last year that culminated in Frequently Asked Questions (FAQs) and FTB Publication 737 to assist registered domestic partners. To obtain a copy of the FAQs and Publication 737 or to listen to the audio seminar presentation, please visit [http://www.ftb.ca.gov/forms/07\\_forms/07\\_737.pdf](http://www.ftb.ca.gov/forms/07_forms/07_737.pdf).

## BIOTECHNOLOGY: THE BUSINESS OF SAVING AND IMPROVING LIVES

On January 29<sup>th</sup>, the California Elected Women's Association (CEWAER) and the California Technology Foundation hosted the Legislative Biotechnology Briefing. The briefing featured biotechnology industry executives who provided a status report on what companies are currently doing to make California healthy and on public-private partnerships aimed at preparing the biotechnology workforce in our state.

Vice Chairwoman Yee, who attended the briefing along with Assemblywoman and CEWAER Board Member Lois Wolk, comments, "Biotechnology is an exciting industry that is gaining prominence in the state's economy because of the investments being made in finding new drugs and therapies to prevent, treat, and cure diseases. I am proud to represent a district that is home to so many of California's innovative companies."

### **The prominence of the biotechnology industry may be highlighted by the following statistics from the California Biotechnology Foundation:**

62,000,000,000	<i>Dollars in revenue generated by California biotechnology companies in 2005</i>
18,200,000,000	<i>Estimated wages and salaries paid by the biomedical industry in 2005</i>
883,000,000	<i>Dollars donated in products by California biotechnology companies to patents and agencies in the US in 2006</i>
260,000	<i>Californians employed by the biotechnology industry in 2005</i>
70,000	<i>Average salary California biotechnology employees are paid per year, 60% higher than the California average</i>

## SACRAMENTO YOUNG DEMOCRATS HONOR VICE CHAIRWOMAN YEE

On January 31<sup>st</sup>, Sacramento Young Democrats recognized Vice Chairwoman Betty Yee as Champion of the Year for her leadership serving as Chairwoman of the Board in 2007 and mentoring young adults in public service. Also honored for his leadership was Assemblymember Dave Jones representing Sacramento.

"I am so proud of this award and acknowledgment, especially coming from the Sacramento Young Democrats, because the engagement and participation of our young people in our democratic government is so critical to the future of our state."



June 3, 2008 Primary Election

## SMALL BUSINESS OWNERS OPTIMISTIC AMIDST ECONOMIC DOWNTURN

One would not think, by the attendance at the Contra Costa Small Business Fair in Concord and the in-language Basic Sales and Use Tax Classes in Santa Rosa, San Jose, and Oakland, that California's economy is experiencing a downturn.

Over 300 registered to participate in the March 31<sup>st</sup> Small Business Fair sponsored by Vice Chairwoman Betty Yee, Senator Tom Torlakson, and Assemblymember Mark DeSaulnier. The overwhelming majority represented prospective businesses and new businesses in operation for less than two years. Still, there also were established businesses represented as well to learn about how to "grow" their businesses with market research and government contracting opportunities. The attendees represented a broad cross-section of businesses such as construction contractors, restauranteurs, and web designers, and many own and operate home-based businesses.

Attendees came to the event to learn about their federal and state tax requirements, hiring employees versus retaining independent contractors, developing a business plan, and financing a business; and to pick up information made available by a wide variety of exhibitors, including the US Postal Service, Small Business Administration, Department of Labor, and Internal Revenue Service as well as the City of Concord Economic Development Division, Contra Costa County Small Business Development Center, Contra Costa College, and the California Tax Education Council.

Pleased by the event attendance, Yee notes, "It is so rewarding to see the excitement of someone who is about to open a business and is so thankful for the vast amount of information, resources, and assistance available to them. I am grateful that officials from the City of Concord as well as our other community partners created a warm, supportive environment for the event participants."



Continuing outreach and education in our ethnic communities, Vice Chairman Yee hosted in-language Basic Sales and Use Tax classes in Spanish in Santa Rosa and Oakland on January 22<sup>nd</sup> and March 26<sup>th</sup>, respectively, and in Chinese in San Jose on March 5<sup>th</sup>. Class attendees included those operating construction companies, auto towing services, auto repair shops, landscaping businesses, restaurants, apparel stores, bookstores, electronics booths, jewelry shops, and grocery stores. There also was participation by those who sell at flea markets and by accountants who serve businesses in our ethnic communities.

Thanks to our Spanish instructors Catherine Sorg and Rocio Wattaneye from the Santa Rosa District Office and Moises Barrera, Lucho Henry, and Rosalinda Thomas from the San Jose District office, and to our Chinese instructors Rachel Zou, Jim Banh, and Nancy Lou from the San Jose District Office, for leading these lively, interactive classes.



Of these outreach and education events, Yee says, "These events are all about helping businesses to succeed and thrive, and I am delighted that they are well-attended."



## CELEBRATING WOMEN'S HISTORY MONTH

March is Women's History Month, and Vice Chairwoman Yee participated in several events to mark the important contributions of women.

On March 3<sup>rd</sup>, Yee delivered the keynote address at the Leadership California conference in Sacramento to business, community, and public sector women leaders. Leadership California was founded in 1988 in partnership with top business, corporate, academic, government, and community organizations to further develop and mobilize diverse women throughout the state. Yee spoke about her path to elective office, specific policy issues facing the BOE, and the unique way each one of us can contribute to making a difference in the lives of Californians.

"It is so inspiring and empowering to be among such high-caliber women leaders who are engaged and active in the issues that affect our state. My hat is off to Leadership California for its commitment to diversity and inclusion."



On March 9<sup>th</sup>, Yee addressed the over 300 attendees in Ukiah at the 25<sup>th</sup> Annual Women's History Celebration, "Women's Art: Women's Vision," sponsored by the National Political Women's Caucus of Mendocino County.



She was in the presence of artists Jan Hoyman, Laura Fogg, and Holly Brackmann, who were being honored along with singer and activist Ronnie Gilbert for their contributions to the arts, as well as key officials including retired Mendocino County Assessor-County Clerk-Recorder Marsha Wharff and County Treasure-Tax Collector Shari Schapmire. Yee spoke about the women's rights movement continuing today nationally and around the world as we grapple with the issues of poverty, education, economics, and human rights. She states, "I am honored to be a part of this celebration. Not too many remember that Women's History Week was first celebrated in 1978 in Sonoma County before our nation's eyes, to help school principals comply with Title IX regulations to increase the participation of

young women in athletics by recognizing the contributions of American women." She also talked about the importance of women serving in elective office and the need to continue fighting for economic parity for women. Yee notes, "The median annual earnings of women 16 or older in 2006 was \$32,649, representing 77 cents for every dollar earned by men. Women have a long way to go still."

### ***Women Marching On***

- *There are 154 million females in the United States, exceeding the number of males by about 4 million.*
- *Of women age 25 to 29, 32% attained a bachelor's degree or higher in 2006, exceeding men in this same age range by 25%. Of this same age group, 88% of women had completed high school, compared to 84% of men.*
- *There were nearly 6.5 million women-owned businesses in 2002, up 20% from 1997. Women owned 28% of all non-farm businesses.*
- *In the 2004 presidential election, 65% of female citizens reported voting, compared to 62% of male citizens.*
- *Of women age 16 or older, 37% work in management, professional, and related occupations, compared to 31% of men in the same age group.*
- *There were 202,000 women in active military duty as of September 30, 2006, comprising 15% of the armed forces. This is up from less than 2% in 1950.*  
*In the 2005-06 school year, 3 million girls participated in high school athletics, compared to only 1.6 million girls in the 1975-76 school year.*

*Source: CNN News*

## RINGING IN THE LUNAR NEW YEAR OF THE RAT

Vice Chairwoman ushered in the Lunar New Year of the Rat by participating in the annual Chinese New Year Parade and the Yee Fung Toy Family Association Gala in San Francisco.

Rain and strong winds could not dampen the festive spirit of the Lunar New Year Parade on February 23<sup>rd</sup>. According to Yee, "The Lunar New Year marks a new beginning and a time to celebrate this new beginning with family. My favorite part of the New Year celebration is having a hand in passing on the New Year celebratory traditions from the older generation to the youth so they can understand the significance of these traditions in paying homage to our past ancestors and our elders."

In this spirit, Yee joined over 600 members of the Yee Fung Toy Family Association at its annual gala to wish her "family" much happiness, prosperity, and good health in the Lunar New Year of the Rat. The Yee Fung Toy Family Association is the oldest Chinese family association headquartered in San Francisco with chapters throughout the United States and Canada. It was formed to provide support and kinship to the Yee family community when they immigrated to the United States and to participate in community service projects. Yee notes, "It is very heartening to be among the elders of the family association and to observe the rich tradition of service of its members."



*In Chinese, the Rat is respected and considered a courageous, enterprising person. People born in the Year of Rat are clever, bright, sociable, and family-minded. They have broad interests and strong ability in adapting to the environment and are able to react adequately to any changes.*

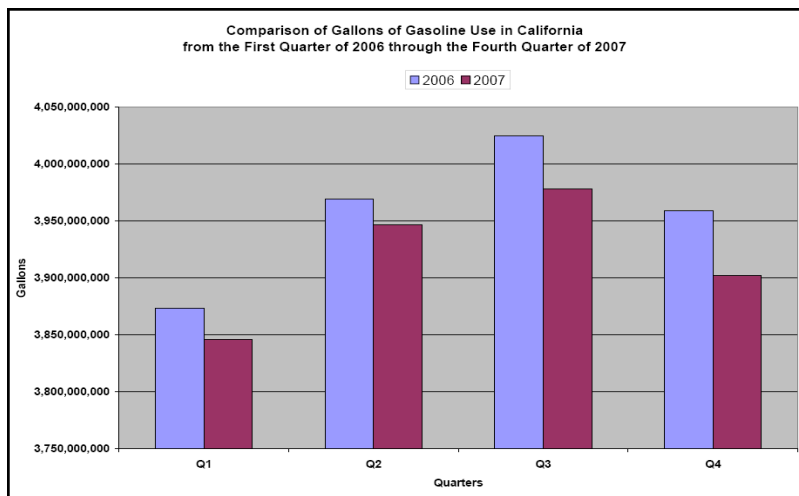
Gung Hay Fat Choy!

## GASOLINE CONSUMPTION WATCH

Although gas price increases continue to boost sales taxes collected at the pump, Vice Chairwoman Yee notes gas use declined for the fourth quarter 2007. Californians used less gasoline in the last three months of 2007 than they did a year ago.

In the fourth quarter of 2007, gasoline consumption declined by 57 million gallons from the fourth quarter of 2006, continuing the downward trend in gasoline consumption for the last seven quarters. Californians used a total of 15.672 billion gallons of gasoline for the twelve months of 2007, which is a decline of 153 million gallons from the total of 15.825 billion gallons for the calendar year 2006. Yee comments, "It is clear the gas price increases are affecting driver behavior such that consumption is on a continual steady decline."

The fourth quarter of 2007's average pump price of \$3.29 was 73 cents above the fourth quarter of 2006 average pump price of \$2.56. The BOE estimates that nearly twice as much sales tax is generated annually by higher gasoline prices than five years ago. Those higher prices generated approximately \$3.6 billion in sales tax during 2007 when the average price was \$3.12. In contrast, 2003's gasoline sales generated \$2.1 billion when the average pump price was \$1.88. The State's excise tax, 18 cents collected on every gallon, has remained relatively stable.



## UPCOMING EVENTS

The following schedule includes free outreach and education events in the First Equalization District from April 1, 2008 through June 30, 2008:

### **April**

- 4** English Basic Sales and Use Tax Class – San Francisco
- 9** English Basic Sales and Use Tax Class – Salinas
- 15** English Basic Sales and Use Tax Class – Oakland
- 17** Spanish Basic Sales and Use Tax Class – San Jose
- 23** English Basic Sales and Use Tax Class– Santa Rosa
- 24** Spanish Basic Sales and Use Tax Class – Santa Rosa
- 30** Youth & Young Adult Financial Literacy Workshop – Oakland

### **May**

- 1** English Basic Sales and Use Tax Class – San Francisco
- 13** Chinese Basic Sales and Use Tax Class – Oakland
- 14** Vietnamese Basic Sales and Use Tax Class – San Jose
- 15** Spanish Basic Sales and Use Tax Class – Salinas
- 20** English Basic Sales and Use Tax Class – Oakland
- 21** Chinese Basic Sales and Use Tax Class – San Francisco Chinatown
- 21** English Basic Sales and Use Tax Class – San Jose
- 22** Nonprofit/Exempt Organization Tax Seminar – Sunnyvale

### **June**

- 5** English Basic Sales and Use Tax Class – San Francisco
- 11** Chinese Basic Sales and Use Tax Class – San Jose
- 17** Spanish Basic Sales and Use Tax Class – San Jose
- 17** English Basic Sales and Use Tax Class – Oakland
- 19** Nonprofit/Exempt Organization Tax Seminar – Fortuna
- 26** English Basic Sales and Use Tax Class – San Jose

For more information about these events, please visit <http://www.boe.ca.gov/members/yee/seminars.htm>.